

## A STRATEGIC ORGANISATION-STAKEHOLDER RELATIONSHIP-BUILDING MODEL: AN EXTERNAL ORGANISATIONAL-ORIENTATED PERSPECTIVE

### ABSTRACT

To fill the gap in existing literature to build organisation-stakeholder relationships (OSRs) and to expand the body of knowledge on the process of OSR building, Slabbert (2012) developed a model that provided a partnership approach to describe the process of OSR building with strategic stakeholders. This model was tested among in-house corporate communication professionals at JSE listed organisations. The main aim of this article was to provide a follow-up study to further explore how the principles of this model resonate with the process of OSR building in practice, specifically in selected South African public relations (PR) and communication agencies. By further exploring the principles of the SISOSR model, this study explored whether OSR building from a modernistic perspective is still relevant in practice or whether it resembles a post-modernistic move evident in recent academic literature. A two-phased qualitative data collection approach was followed: Semi-structured one-on-one interviews were conducted with five senior PR professionals at South African PR agencies that had been selected as winners for specific PR campaigns during the 2013 PRISM awards; and a semi-structured one-on-one interview with the CEO of Business DNA, an agency specialising in guiding organisations in stakeholder relationship building and management. Although the findings indicated that the OSR-building process presented by Slabbert's 2012 model is more conducive to in-house corporate communication professionals' practices, it does tend to resonate with OSR building in practice which could be evident of communication professionals' slow uptake of post-modernistic approaches. The findings of this research were used to provide guidelines for possible amendments of the SISOSR model to align it with OSR building in practice. This could be used as a starting point for future studies in addressing the process of stakeholder relationship building from a post-modern perspective.

**Keywords:** *Organisation-stakeholder relationships (OSRs); organisation-stakeholder relationship (OSR) building; strategic stakeholders; corporate communication; public relations; modernism; post-modernism*

## INTRODUCTION

The key towards creating economically, socially and environmentally sustainable and high-performance organisations in contemporary society lies in building and maintaining stakeholder relationships (Sloan 2009:26), which are often regarded as an intangible asset of successful organisations (Malmelin 2007:298). The establishment of mutual value for the organisation and strategic stakeholders is dependent on proactive organisation-stakeholder relationship (OSR) building and recognising stakeholders' shared responsibility in addressing organisational problems (Maak 2007:329). According to Meintjes and Grobler (2014:162), the success of the organisation has a direct relation to the organisation's ability to manage and address diverse stakeholder needs and demands, which underlines the increasing need for organisations to establish stakeholder partnerships (Valackiene 2010:101). The addition to the King III Report (2009) of Chapter 8 on governing stakeholder relations, and the prominence in South Africa of various stakeholder standards such as corporate governance, corporate social responsibility, corporate citizenship, corporate sustainability and the triple bottom line are further examples of the increasing emphasis on stakeholder relationship building. This dominant focus on organisational stakeholders provides "added impetus and importance to the role of corporate communication" (Malmelin 2007:298), and in essence signifies the relevance of and need for practising corporate communication strategically. This is emphasised by De Beer (2011), who postulates that "governing stakeholder relations will be the mantra for corporate communication".

Despite the acknowledgement of the significance of OSRs and the centrality thereof in corporate communication, there is a paucity of research indicating how to actually *build* these OSRs (Bridges & Nelson 2000:106; Kim 2007:167). According to Preble (2005:414), "... surprisingly little effort has been made to construct a comprehensive stakeholder management process model that can facilitate the actual practice of stakeholder management within contemporary organisations". As a result, Slabbert (2012) developed a Sequential, Integrated, Sustainable Organisation-Stakeholder Relationship (SISOSR) model from a corporate communications perspective to describe the OSR-building process with strategic stakeholders more accurately. The model depicted the ideal OSR-building process to ultimately establish organisation-stakeholder partnerships (OSPs) with strategic stakeholders. The principles of the original

SISOSR model were both quantitatively measured and qualitatively explored among in-house senior communication professionals at JSE-listed organisations. Since the model's principles were only explored and measured with corporate communication professionals within the organisation, the need to further explore the principles of the model with public relations (PR) professionals in selected PR agencies was realised.

Another key consideration of this follow-up study is the paradigmatic debates between modernism and post-modernism in communication management and public relations evident in academic literature (Overton-de Klerk & Verwey 2013; Holtzhausen 2002; Toth 2002; Mumby 1997). A modernist approach dominates various areas of public relations and communication management in theory and practice (Holtzhausen 2002:253), and is regarded as a rational approach that adds value to objectivity (Toth 2002:245). Grunig's excellence theory (1984) is a typical example of modernism where strategic public relations management is regarded as a process to examine constituencies where negotiation is used to maximise stability and minimise uncertainty (Overton-de Klerk & Verwey 2013:364). Sandhu (2009:87) argues that communication management needs to be freed "from the iron cage of the [e]xcellence study" and a movement towards pluralism, temporality, fragmentation, de-differentiation and ambiguity associated with post-modernism should be established (Overton-de Klerk & Verwey 2013:364). Since the excellence theory was one of the cornerstones of the SISOSR model, which could as a result be regarded as a modernist approach to OSR-building, it further underlines the need for this follow-up study to simultaneously determine whether a 'modernist' approach to OSR building resonates with practice and/or whether there is a movement towards 'post-modern' OSR-building approaches. This is an essential exploration as it is argued that "communication professionals have been slow to adapt to the shift in paradigms" (Overton-de Klerk & Verwey 2013:377).

Based on the above overview the research problem of this study was *to explore whether selected South African PR and communication agencies' OSR building approaches resonate with the modernistic principles and process of the original SISOSR model*. The findings were used to develop guidelines for amending the SISOSR model to align the model more closely with OSR building in practice and to provide a basis for future research in stakeholder relationship building from a post-modern perspective.

The remainder of the article is structured as follows: A brief elaboration on the characteristics and building blocks of the original SISOSR model; the key thrusts underlying the shift to post-modernism; a description of the methodological approach that was utilised in this study; the presentation of the key findings; and subsequent elaboration on and the proposed guidelines for amending the SISOSR model to increase the relevance thereof in practice. The article concludes with a discussion on the limitations and contributions of the study.

## **AN OVERVIEW OF THE SISOSR MODEL**

This section provides an overview of the theoretical foundations of Slabbert's (2012) SISOSR model in the form of a brief discussion of the characteristics and building blocks thereof.

### **Characteristics of the original SISOSR model**

The SISOSR model has the following intrinsic characteristics (Slabbert 2012:307-8): It is *sequential*, *integrated*, and supportive of a *sustainable* process. Although this model was specifically focused on strategic stakeholders, who are all internal or external organisational groups with a continuous high degree of stakeholder salience with which the organisation shares a reciprocal interest that should be nurtured through proactive, mutually beneficial relationship building to ensure organisational survival, it is *generic* as it does not focus on a specific strategic stakeholder, industry or communication situation. The SISOSR model also provides a *proactive* approach to OSR building with strategic stakeholders in particular (therefore excluding publics or secondary stakeholders), and it is *strategic* in nature as it emphasises the contribution of corporate communication as OSR-building function to achieving organisational effectiveness.

### **The building blocks of the original SISOSR model**

The SISOSR model consists of three interlinked building blocks, namely the strategic communication foundation, the theoretical foundation and the conceptualisation of OSR building.

### *Building block one: Strategic communication foundation*

The SISOSR model emphasises the responsibility of the corporate communication function in driving OSR building with strategic stakeholders. Slabbert (2012:38) defines corporate communication as “an umbrella term for all internal and external strategic communication with the core purpose of building and maintaining sustainable OSR with strategic stakeholders to contribute to organisational success”. Various key thrusts are prevalent in this definition. Corporate communication should be practised from a *two-way symmetrical communication* perspective to allow sustainable OSR building. In the context of the SISOSR model, Johansen and Nielsen’s (2011:209) perspective that “... traditional unidirectional means of stakeholder communication must be replaced or replenished by two-way communication” is of relevance. This implies that two-way symmetrical communication should represent an interactive communication process concerned with establishing a balanced dialogue between the organisation and strategic stakeholders in order to stimulate transparency and sincerity with a view to building mutually beneficial OSRs. Five essential corporate communication functions, namely; research through environmental scanning and evaluation research; issues management; reputation management; knowledge sharing enabled by an internal organisational culture of knowledge; and adherence to organisational ethics and values, have to be implemented to ensure successful OSR building.

*Environmental scanning* should be applied continuously throughout this process to detect any issues of concern that could hinder OSR building. *Evaluation research* was accepted in the original SISOSR model as a two-pronged approach that is relevant at different phases of the SISOSR model, as will be contextualised in building block three. The relevance of *issues management* to the original SISOSR model is that it serves as a proactive, continuous process to manage and resolve issues of concern, which could include the formation of active publics, conflict between relational parties and potential crises, which are detected through environmental scanning, to ensure the continuance of the OSR-building process. Thiessen and Ingenhoff’s (2010:9) perception of *reputation management* is supported in the context of the original SISOSR model, which emphasises that it is the aggregate of individual perceptions of an organisation’s past performance and future outlook, and that reputation management is regarded as “relational

capital” that strengthens relationships and builds trust; it is the organisation’s “reservoir of goodwill”. From this perspective it is argued that a positive organisational reputation is a prerequisite for adequate OSR building with *strategic* stakeholders, and that corporate communication professionals should also manage the organisation’s reputation throughout the OSR-building process. *Knowledge sharing* implies that stakeholders are recognised “as *partners* who create both economic and social value through collaborative problem solving” (Halal 2001:28). It is further argued in the context of the SISOSR model that the foundation of knowledge sharing is an internal organisational culture that allows employees to create, share and utilise knowledge (Ribiére & Sitar 2010:36), which is defined in the context of the SISOSR model as ‘an internal culture of knowledge’. The SISOSR model also supported the notion that OSR endeavours should be aligned with the organisation’s *ethics and values*. This argument is based on the premise that since two-way symmetrical communication is by nature ethical (Huang 2004:333), it will assist the organisation to align all of its OSR activities with the organisation’s ethics and values.

#### *Building block two: Theoretical foundation*

This building block of the original SISOSR model represents an integration of the most prominent theories and concepts utilised in OSR-building literature, and includes Freeman’s (1984) stakeholder concept from a normative, relational perspective; Ferguson’s (1984) relational paradigm; Ledingham’s (2003) theory of relationship management; and Grunig’s (1984) excellence theory. In the context of the original SISOSR model, Grunig’s excellence theory encapsulates the principles of the aforementioned theories and concepts as follows: it supports the stakeholder concept in underlining the importance of having a stakeholder mindset, according to which research should arguably be conducted to identify strategic stakeholders and develop communication programmes aimed at them; it underscores the relationship management paradigm through the focus on the *relationship* between the organisation and stakeholders; and it resembles the relationship management theory and the stakeholder concept by promoting two-way symmetrical communication to allow the establishment of mutually beneficial OSR. Furthermore, the excellence theory emphasises the importance of practising corporate

communication strategically and its contribution to the organisation's overall strategic management.

Based on the SISOSR model, the excellence theory served as a toolkit for OSR building with two main contributions, namely a *strategic* contribution, to elevate corporate communication as an OSR-building function to the desired strategic level; and a *pragmatic* contribution, that excellence in corporate communication is specifically regarded as a collection of practices that assist the organisation to build sustainable relationships with strategic stakeholders.

### *Building block three: Conceptualisation of OSR building*

On the basis of the prerequisites required for a successful OSR building process represented by building blocks one and two, building block three of the SISOSR model encapsulates the phases and sub-phases of the actual OSR building process.

- *Phase one: Strategic stakeholder identification*

The SISOSR model presents a new strategic stakeholder identification methodology that emphasises the following key points: that strategic stakeholders should have stakeholder salience (mutual power dependence, legitimacy and urgency); the benefits of building an OSR with strategic stakeholders should outweigh the costs; and there should be a high level of mutual involvement in the organisation and stakeholders' business activities (Koschman 2009; Grunig & Huang 2000; Mitchell, Agle & Wood 1997; Grunig 1984).

- *Sub-phase a: Strategic stakeholder perception analysis (SSPA)*

The original SISOSR model indicates that after the process of identifying strategic stakeholder groups, the perceptions of these strategic stakeholder groups should be analysed, as it could affect the OSR-building approach that will be employed. This process was uniquely termed in Slabbert's (2012) study as "strategic stakeholder perception analysis" (SSPA). It should be noted that the perceptions identified by means of the SSPA constitute

those of strategic stakeholders specifically to serve as a starting point for OSR development. Furthermore, Slabbert (2012:278) argues that these perceptions will also assist the organisation to define the OSR antecedents, which constitutes the next sub-phase of the model.

- *Sub-phase b: OSR antecedents*

The SISOSR model underlines that, prior to the development of an OSR, various OSR antecedents had to exist (Kim 2007:170). The following four OSR antecedents are prevalent in the SISOSR model: trustworthiness; organisation-stakeholder association; mutual consequence; and expectations (Kim & Radar 2010:62). These collectively served as a sub-phase preceding OSR development.

- *Phase two: OSR development*

This phase of the SISOSR model focuses on an exploration of the *elements* of an OSR and the unique proposition of an *OSR development continuum*, which presented four original OSR types. Since the SISOSR model presented a partnership approach to OSR building, this continuum illustrates how a foundational OSR could evolve and grow in intensity over time to become a mutually beneficial OSR, a sustainable OSR and eventually an OSP (a foundational OSR practised over a long period of time to reach the level of two-way engagement, whereby stakeholders are actively involved at organisational board level to promote a mutual experience of stewardship and collaborative problem solving).

- *Sub-phase c: OSR evaluation*

This sub-phase indicates that once a foundational OSR has been established, it has to be evaluated to detect strategic stakeholder issues that could be addressed during stakeholder engagement as a measure to strengthen the foundational OSR to become a mutually beneficial OSR, which is the next relational stage in the proposed OSR development continuum (Slabbert 2012:279). OSR evaluation is specifically concerned with identifying *strategic*



stakeholder issues that can be used as topics for stakeholder engagement, which constitutes the next sub-phase of the original SISOSR model.

- *Sub-phase d: Stakeholder engagement*

Various theorists argue that once an OSR has been established, certain OSR outcomes will exist, which may include control mutuality (the extent to which relational parties agree on who has the rightful power to influence the other), trust, satisfaction and commitment (Grunig & Huang 2000:42). Since these outcomes were accepted as OSR elements in the SISOSR model, stakeholder engagement was instead presented as an OSR outcome and a sub-phase after OSR evaluation. Stakeholder engagement represents the organisation's endeavours to involve strategic stakeholders in decision-making and to encourage participation in organisational activities (Greenwood 2007:315). In the context of the SISOSR model, proposing stakeholder engagement as an OSR outcome implies that stakeholder engagement can only occur after the establishment of an OSR, because this engagement moves beyond the management of common interests to a higher level of intensity of stakeholder participation in decision-making, problem-solving and organisational activities. It is also a strategy to strengthen the foundational OSR into a mutually beneficial OSR. The SISOSR model further proposed that two-way engagement will be experienced at OSP level, whereby both the strategic stakeholders and the organisation facilitate the engagement, resulting in the art of thinking and solving problems collectively (Fossgard-Moser 2006:170).

- *Phase three: OSR maintenance*

The OSR development continuum mentioned earlier proposes that once a foundational OSR has been established, it should be nurtured to evolve in intensity into a mutually beneficial OSR, a sustainable OSR and ultimately an OSP. This phase is congruent with Stafford and Canary's (1991:220) perspective that a continuous relationship requires maintenance – especially when a staged, process approach is proposed for OSR building.

Although the SISOSR model could be critiqued for, among others, being a modernist approach, it should be highlighted that this model aimed to provide a progressive process approach to OSR-building to achieve OSPs, which necessitates a two-way symmetrical communication process. Furthermore the SISOSR model was specifically developed in alignment with the principles of Chapter 8 of the King III report on corporate governance, which in itself is embedded in the two-way symmetrical model of communication (De Beer 2011) to promote stakeholder inclusivity (stakeholder interests are considered when deciding on the best interests of the organisation).

Against the above summation of the SISOSR model as an example of a modernistic approach to OSR building, the following section provides a brief overview on post-modernism in communication management and PR.

## **KEY THRUSTS UNDERLINING POST-MODERNISM**

Overton-de Klerk and Verwey (2013) identified shifts from modern and post-modern organisational practice which they conceptualised as ‘core driving forces’ towards an emerging paradigm of strategic communication. For the purpose of this study, some of these shifts will be used to serve as key thrusts to underline post-modernism in communication and PR (Overton-de Klerk & Verwey 2013:370-376): institutions are increasingly forced to make use of asymmetrical dialogue instead of symmetrical dialogue due to media convergence and digital connectivity; the recognition of multiple voices and the possible encouragement of dissent/conflict; the organisation as the writer of its own brand script is replaced by a notion of continuous collaboration from other, mostly unexpected writers; the positioning of the PR or communication professional as an organisational activist as oppose to being part of the dominant coalition (decision makers) of the organisation, which could best be achieved by PR/communication agencies as they are in a position to resist domination from organisational management; and the positioning of the communication manager as a facilitator of forums and channels for discourse and free participation, which necessitates that the communication manager should not be too tightly aligned with the organisation to allow critical reflection.

In spite of this realisation, post-modernism in public relations and communication management is not free from criticism. Toth (2002:243) for example argues that besides the philosophical criticism that post-modern theorists attach to the modernistic practice of PR and communication management, a “cash value” (Mumby 1997:23) must be added in order for modern PR and communication professionals to accept post-modernistic ideas. Furthermore, Grunig (2009:10) specifically underlines the necessity of a modernistic approach to communication and PR by stating that “public relations practitioners and scholars must minimise the extent to which the symbolic, interpretative paradigm of public relations affects their thinking and institutionalize public relations as a strategic management, behavioural paradigm”.

## **RESEARCH METHODOLOGY**

This exploratory follow-up study is built from an interpretative paradigm through the application of a qualitative research design to obtain insights from PR professionals to determine whether the modernistic process of OSR building as promoted by the SISOSR model resonate with practice or whether there is a move towards post-modernistic OSR building approaches. Semi-structured one-on-one interviews were used though an interview guide with predetermined questions to offer flexibility to the interviewer (Greeff 2007:296).

A two-phased data collection approach was followed for the purpose of this study. Firstly, in order to obtain professional opinions on the proposed modernistic OSR-building process and principles of the original SISOSR model, it was necessary to obtain a sample of leading PR agencies. The population of this article consequently comprised PR agency winners of the 2013 PRISM Awards, which is an annual awards ceremony hosted by the Public Relations Institute of South Africa (PRISA) to celebrate the best campaigns of South African PR and communication agencies. A multi-stage sampling strategy, where sampling occurs in stages using smaller units at each stage, was employed. Purposive sampling was initially applied to determine the sampling frame of the study, which consisted of PR professionals from ten PR agencies that were selected as gold, silver or bronze winners for specific PR campaigns in 2012 in the Johannesburg region. Convenient sampling, based on availability and willingness to partake, was further applied to obtain the sample for the study. The sample included five senior PR professionals at the

following PR agencies: PR Worx; Tribeca PR; RedStar Communications; and Ogilvy PR. These participants could be regarded as PR specialists with 10-20 years' experience in the field and between the ages of 35-45. The participants either fulfilled a position at management or director levels of the agency. One participant was also the founding member of the agency. It should be noted that the focus was on the OSR strategies that these PR agencies develop for their clients (in their capacity as advisors to organisations), and not on the OSR strategies that are employed within the PR agency itself. To further supplement the findings from these PR professionals, the second phase of the data collection process comprised another semi-structured one-on-one interview with the CEO of Business DNA. This participant has 30 years' experience in the communication industry, specifically in journalism, public relations, academia, research and consulting and is an Accredited Business Communicator with the International Association of Business Communicators. This participant was purposively selected in an attempt to further determine the relevance of the SISOSR model based on the fact that this agency specialises in guiding organisations in building and maintaining stakeholder relationships.

To avoid the possibility of a loss of standing in employment when confidential information is divulged (Stake 2000:447) the identities of the participants remain confidential and reference was not made to the agency names in the reporting of the findings. The interviews were also recorded with prior consent of the participants and transcribed.

A combination of Creswell's analytic spiral and Marshall and Rossman's analysis process, as synthesised by De Vos (2007:334), was used as a qualitative data analysis technique for both phases of the data collection process. This analysis process consisted of nine integrative steps to manage, organise and categorise the data. The semi-structured interview guide was categorised according to the building blocks of the SISOSR model to aid the data analysis process and to add new themes or patterns to these existing categories. The coding scheme was informed by the elements and sub-elements of each of the interview guide categories which specifically represented the proposed phases and sub-phases of the modernistic OSR building process. Data was labelled according to these elements and organised into these categories. The final stages of the data analysis process entailed the testing of emergent understandings against existing literature; searching for alternative explanations, especially related to the key thrusts that

underline post-modernism and; presenting the data. Trustworthiness was proposed as an alternative for establishing reliability and validity in qualitative research (Janesick 2000:393) and was established through the elements of credibility, transferability, dependability and confirmability (Morse, Barrett, Mayan, Olson & Spiers 2002:5).

## **KEY FINDINGS**

Prior to reporting the main findings relating to the three building blocks of the SISOSR model, it should be noted that it was evident from the interviews from this follow-up study that the principles of the original SISOSR model seems to be generally more conducive to in-house corporate communication professionals' practices than to the approaches PR professionals develop for their clients. According to one participant, "there is no white-label approach, we play it by ear". Another participant argued that "we rely on our experience". Someone else posited that "your model is specifically applicable to large corporate organisations that require reporting ... a more tactical approach will be used for smaller, brand-orientated clients". Despite these perspectives, valuable input was given by the participants, which could serve as guidelines for amending the SISOSR model to align it more closely with OSR-building in practice and a starting point for the exploration of OSR building from a post-modern perspective.

### **Building block one: Strategic communication foundation**

The participants predominantly confirmed that the proposed SISOSR model could be regarded as normative due to its two-way symmetrical communication nature, which is congruent with the critique associated with a modernistic approach as argued earlier. According to three of the participants, two-way communication in itself is definitely regarded as essential for building OSR; the problem, however, lies with communicating *symmetrically*. Participants made statements such as "at the end of the day, you want the stakeholder to dance to your tune" and "there is always going to be a degree of manipulation ... both parties will have a bias", which are more in line with two-way *asymmetrical* communication practices. This finding is specifically supportive of the post-modern trend for asymmetrical dialogue brought about by, among others, media convergence and digital connectivity. In contrast, another participant stated that there

should be respect for the conversation between the organisation and the strategic stakeholders and that “collaborative communities” (a coalition between the organisation and strategic stakeholders to achieve shared goals) need to be established. This argument is again congruent with some of the characteristics of two-way symmetrical communication that underlines the SISOSR model, namely collaboration and negotiation; mutual understanding and a shared vision; and collaborative problem solving between the organisation and strategic stakeholders. On the basis of these perspectives, it could be argued that, in reality, there will be interplay between two-way symmetrical and two-way asymmetrical communication. The implication of this finding is that that two-way asymmetrical communication should be added to the two-way symmetrical communication foundation of the original SISOSR model.

The five proposed essential corporate communication functions of this building block of the SISOSR model, namely research (environmental scanning and evaluation research); issues management; reputation management; knowledge sharing enabled by an internal culture of knowledge; and the alignment of OSR endeavours with the ethics and values of the organisation were generally well received and supported by the participants. Some new insights gained from the interviews specifically pertained to two of these corporate communication functions. Firstly, the argument posed earlier that a positive organisational reputation is a prerequisite for successful OSR building was predominantly regarded as idealistic and not representative of practice. One participant argued that a positive organisational reputation “is not a prerequisite, it is just easier; when the reputation is negative it will just require more time” to build OSRs. Similarly, another participant posited that “a positive organisational reputation is not a prerequisite, it is not a reality ... I think where you want it to be is neutral, because on that basis you can influence either way. We need to determine if we can change the negative; if not, ring-fence and move on – build positive bias elsewhere, outweigh the negative”. Another participant concurred by stating that “you want your reputation to be neutral to shift the perception positive over time – then you get a much stronger foundation” [sic]. Based on these insights, the proposition of a positive organisational reputation is not deemed accurate and could be replaced by a neutral organisational reputation to more closely align the model with OSR building in practice. Secondly, an interesting remark made with regard to knowledge sharing enabled by an internal culture of knowledge within the organisation was that one has to be cognisant of the *behaviour-*

driven culture. This implies that in-house corporate communication professionals and/or PR professionals need to determine how information in the organisation will be cascaded down and operationalised within the organisation; the same information needs to be communicated to different internal organisational stakeholders in different ways. This is an essential consideration to ensure an internal organisational climate conducive of knowledge sharing and subsequent internal OSR building on which to build effective external OSRs. In support of this perspective it was argued that “you need to have trust inside your house before you can build trust outside”.

Two participants specifically placed emphasis on some additional factors related to an OSR strategy that merit consideration as part of the strategic communication foundation building block of the SISOSR model. Firstly, it was argued that the initial step in an OSR strategy is to ensure alignment between the organisation’s reputation, the internal organisational culture and the organisation’s vision and mission. It is therefore essential that the organisation’s strategic business opportunities and business plan are aligned. Although alignment of the corporate communication strategy with the organisation’s business objectives, vision and mission is inherently implied by the proposition of practicing corporate communication as a strategic function, it can be inferred that it could be highlighted as a more prominent consideration of the SISOSR model. Secondly, a participant argued that “an aspect that is often overlooked in stakeholder management strategies is the regulatory aspects relating to stakeholder management in, for example, the Consumer Protection Act; the Protection of Information Act; media regulation; electronic communication regulation; press regulation ...”. Since regulatory aspects were not considered in the original SISOSR model, it could be considered to be emphasised in the SISOSR model.

### **Building block two: Theoretical foundation**

Five of the participants concurred that the essence of corporate communication is to build OSRs, which necessitates that corporate communication should be practised at the strategic level of the organisation, which directly supports a modernistic approach to communication management and PR. Despite this acknowledgement, various issues pertaining to corporate communication as a strategic OSR-building function were raised by four participants. Firstly, it was argued that the

lack of credibility associated with corporate communication could largely be ascribed to corporate communication professionals' lack of *business* skills. In affirmation of this, participants stated that "the foundation of business in general should be the same for communication"; however, "they [corporate communication professionals] don't understand business", and "one reason why communication does not sit at the strategic table is that they [corporate communication professionals] are not good at business". Moreover, participants maintained that "... in order to do communication, you need to understand economics ... how a business works is placed in micro- and macroeconomic conditions"; "all communication strategies have to take current social and economic complexities into account ... you need to understand the sociopolitical environment, because you need to be able to advise before decisions are made ... unfortunately, corporate communication people in this country cannot do it." From a post-modernistic perspective it could be inferred that such a generalist organisational knowledge approach is essential to allow easier absorption of diverse voices not only in establishing organisation's brand but also to encourage possible dissent and meaningful debate with organisational stakeholders.

Participants unanimously agreed that corporate communication professionals' lack of business skills and knowledge of the economy and sociopolitical environment could be ascribed to the fact that, as a starting point, communication qualifications do not adequately equip students with the skills required to practice corporate communication properly. Comments included the following: "The contents of communication qualifications are shocking"; "universities do not prepare [communication] students for the reality of the job ... they have a complete misperception as to what PR and communication people do"; "our university system is failing the industry ... they create misguided perceptions of reality among students ... the academic foundation is about 20 years behind". One participant posed the following questions: "... [I]s the right communication qualification important? Totally. Is the right communication qualification available? Not at all." Additionally, one participant stated that practising corporate communication effectively is a balancing act between the right qualification and the right level of experience in the industry; "you cannot expect a junior to function on strategic level". It can be deduced that besides the key requirement of integrating business-orientated subjects into the curriculum of communication qualifications, corporate communication as a strategic OSR-building function necessitates the



skills of specialised corporate communication professionals, that is, individuals with the relevant qualifications and level of experience.

The lack of credibility in the corporate communication field could also be due to the absence of a professional body for communication practitioners. One participant mentioned that endeavours were underway to change this: “The Council of Communication Management (CCM) is in the process to develop a registration system for PR and communication professionals. This system will be similar to project management, whereby you cannot do project management on a big contract if you are not sufficiently qualified with the relevant experience.”

Although these issues of professionalisation of the communication industry and lack of business skills sprout from a modernistic era, it still seems to be issues that the communication industry is today confronted with. Based on the above findings it could be inferred that tertiary institutions urgently need to revise their communication/PR qualifications’ curriculum to provide students with a suitable grounding in business management, economics and politics to accurately advise and guide management in decision making. Corporate communication professionals with business management knowledge could help to add credibility to the profession and could contribute to the strategic management of the organisation in addition to practising corporate communication strategically. Academics could partner with communication professionals from industry to ensure that qualifications are relevant and in line with activities in practice. Endeavours to regulate and professionalise corporate communication are seemingly still a move in the right direction in building the credibility of the corporate communication industry.

### **Building block three: Conceptualisation of OSR building**

The participants largely supported the phases and sub-phases of the proposed OSR-building process of the original SISOSR model. New insights from these interviews that relate specifically to phase one; sub-phase b; phase three; and sub-phase d of the original SISOSR model, as described earlier, are discussed in the following section.

*Phase one: Strategic stakeholder identification:* Three participants indicated that they do not have formal strategic stakeholder identification strategies for their clients in place; instead, “we rely on the expertise of our internal council of stakeholders” (group of senior stakeholders within the agency who are in a position to advise and guide based on their knowledge and expertise), which at times is “a guess which stems from experience”. Although the absence of official strategic stakeholder identification strategies is not supported in the context of the SISOSR model, the fact that the participants mentioned that they rely on internal expertise in the agency again emphasise the importance of seniority and experience for corporate communication professionals to sufficiently build OSRs.

*Subphase b: OSR antecedents:* In congruence with the organisation-stakeholder association and mutual-consequence OSR antecedents a participant mentioned that “... prior to building an OSR, a common ground should be reached, which requires commitment”. This ties in with the argument posed earlier that a common ground between the organisation and strategic stakeholder should be established by means of two-way symmetrical communication, specifically by means of negotiation, and both the organisation and the stakeholders should be committed to honouring this common ground or shared objective, because “both parties have skin in this game”.

*Phase three: OSR development:* In relation to the proposed OSR development continuum, some participants argued that OSR building is *cyclical* instead of sequential. One participant argued that “... there is never a pinnacle in a relationship where you have reached the end ... an OSR is like a personal relationship – you fight and make up continuously”. In contrast, another participant postulated that “one can never truly unwind a partnership”, despite emerging issues that could damage the OSP. The latter argument is specifically in line with the argument made earlier that the common ground between the strategic stakeholders and the organisation should still take precedence over emerging issues. In order to manage these issues, issues management, conflict management strategies, and other OSR maintenance tactics were integrated into the original SISOSR model and are therefore still regarded as relevant.

*Sub-phase d: Stakeholder engagement:* Some participants criticised the proposition that stakeholder engagement should be an OSR outcome. For example, it was stated that “stakeholder

engagement and relationship building happen simultaneously”, and “it is continuous ... from initiation you are potentially engaged”. Conversely, and more in line with the original proposition of stakeholder engagement as an OSR outcome, one participant argued that “... sometimes a relationship leads you to engagement”. Since the purpose of the SISOSR model was to describe the OSR-building process, which implied the dissection of the process into phases, it is still accepted that stakeholder engagement is a more advanced process that requires an OSR to be in place.

In addition to the above findings that are related to the SISOSR model’s building blocks, one participant mentioned that organisations should “socialise” stakeholder relations and management strategies to accommodate the “real-time stakeholder”. This implies that organisations need to “be in a space where they act in the same way as their stakeholders – thus via social channels”. This viewpoint is specifically in line with post-modern thinking where institutions are increasingly forced to make use of asymmetrical dialogue due to media convergence and digital connectivity. Social channels also allow continuous collaboration from other parties in defining the organisation’s brand.

From the above findings it could be inferred that although there were some evidence of a movement towards post-modernistic thinking (e.g. two-way asymmetrical communication), a modernistic partnership approach to OSR building does seem to resonate with practice which, as a result, could be evidence of a slow uptake of post-modern approaches among communication professionals.

## **GUIDELINES FOR AMENDING THE SISOSR MODEL**

The above findings culminated into the following guidelines, pertaining to the process of OSR building of SISOSR model to align it more closely with OSR-building in practice.

- A revision of the SISOSR model has to take cognisance of the interplay between two-way symmetrical and two-way asymmetrical communication. It can be inferred that a common ground, representative of a shared vision, collaboration and negotiation between the

organisation and strategic stakeholders has to be established. If asymmetrical communication tactics are employed by either the organisation or the strategic stakeholders, it should not be to the detriment of the common ground, as this would arguably have a negative impact on the OSR. Despite the reality of two-way asymmetrical communication, it could still be argued in the context of the SISOSR model that a common ground, which stems from two-way symmetrical communication, remains the cornerstone for a partnership approach to OSR building.

- It is important to consider that successful OSR building is dependent on its alignment with the organisation's mission, vision and strategic business objectives. Although this was inherently implied in the original SISOSR model, it is essential that it should become a more prominent part of the strategic communication foundation building block in recognition of the alignment of the corporate communication strategy with the overall business objectives of the organisation.
- Regulatory aspects (such as the consumer protection act, protection of information act, media regulation, electronic communication regulation) that govern communication in the process of OSR building has to be integrated as part of the strategic communication foundation of the organisation as it could influence the progression of an OSR.
- The proposition of a positive organisational reputation as prerequisite for OSR building needs to be revisited. Based on the findings it was argued that a neutral organisational reputation (if not already positive), is more realistic as it could be influenced either way.

In line with these guidelines, two implications for possible implementation of the SISOSR model should be considered. Firstly, since the SISOSR model is built from a corporate communication perspective, strategic OSR building would arguably require a change in corporate communication as an industry and practice to enhance the credibility of the field. This could be achieved through, inter alia, the professionalisation of the field by means of, for example, the endeavours by the CCM; renaming corporate communication to “stakeholder relations” to move away from corporate communication being regarded as a technical media monitoring and publicity function; and, most importantly, corporate communication professionals becoming more business cognisant, because it is critical for them to understand how business works in order to sufficiently align OSR strategies with business objectives. This necessitates amendments at educational level,

which means that tertiary institutions would have to make the necessary changes to equip communication students with business skills. It should also be re-emphasised that to sufficiently build OSRs, corporate communication professionals need to have the relevant qualifications, coupled with experience. Secondly, a change in the mindset of the organisation's board and executive members would be required, because substantial resources and time would be needed to expand the corporate communication department to ensure successful OSR building. Executive buy-in would be essential because both the department and the organisation as a whole would need to approach all stakeholder actions from a shared worldview.

## **LIMITATIONS AND CONTRIBUTIONS OF THE STUDY**

The following limitations were identified in this study: Firstly, the study utilised a qualitative research design, which has the limitation that the findings cannot be generalised. The guidelines for amendment and related implications are therefore only a starting point and further quantitative testing of these findings is required to make definite amendments to the SISOSR model. Secondly, although a two-phased data collection approach was employed to counter the small realised sample of PR agencies, it is still regarded as a limitation that necessitates further exploration among a larger sample of PR agencies. It should be noted that the participants were regarded as specialists in the field of PR and stakeholder relations based on their level of experience and seniority to provide initial inputs on the process of OSR-building to serve as basis for further research. The modernistic nature of the SISOSR model could be seen as a limitation as it is not representative of the move towards post-modernism evident in academic literature. However, the SISOSR model aimed to provide a progressive, partnership approach to OSR-building in line with the notion of stakeholder inclusivity which necessitated a modernistic two-way symmetrical communication approach.

The main contribution of this article is the guidelines and related implications proposed to ensure a closer alignment of the SISOSR model with OSR building in practice which provided a starting point towards blurring the lines between modern and post-modern approaches in OSR building. This resulted in another core contribution of this study namely that a modernistic, partnership approach does seem to resonate with practice. This is an important finding as it could be an

indication that communication professionals are indeed slow in accepting post-modern thinking which leaves room for further theory development and research not only in OSR building but also in communication management and PR as a whole from a post-modern perspective.

## CONCLUSION

Despite the identification of some evidence towards post-modernistic thinking, this study indicated that a modernistic partnership approach to OSR building does seem to resonate with practice, which could be indicative of communication professionals slow uptake of post-modern OSR building practices. This provides an opportunity for further research and theory development to inform practice of the much needed move towards post-modernism in communication management and PR. Future research should therefore focus on closing the gap between practice and academia by expanding the body of knowledge in OSR-building within a post-modern or even integrated perspective. In conclusion, Falconi (2009:4) states that “the effective governance of stakeholder relationships is the new global frontier”, which underscores the need for further research and theory development in OSR-building from a much needed post-modern perspective.

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